

Free — energy kits

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Time to Save ENERGY

IT STARTS IN THE HOME

Gil Francis, a Media Relations specialist in Knoxville, is all about energy efficiency. When he talks with news reporters about TVA's energy programs, he's speaking from firsthand experience.

"I've been replacing my light bulbs with compact fluorescents for years," he says. "The CFLs are better than they were when they first came out, and the price has come down."

So has Francis's monthly power consumption — he's using power

more wisely while using less.

"I don't want to pay any more than I have to, and it's important for all of us to save energy," he says.

Francis installed Thermopane® windows in his home many years ago. When he recently found the wood deteriorating around them, he put in

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Eye on energy efficiency

Reducing the demand on TVA's power system requires a commitment from TVA employees, retirees and customers across the Valley.

Last fall, Joe Hoagland was named TVA's vice president of Energy Efficiency & Demand Response. His task is to develop a short-term and long-term plan to reduce power demand in the Tennessee Valley by up to 1,400 megawatts through 2012. The goal for 2008 is to cut 64 megawatts, which is the approximate output of some of TVA's combustion-turbine units, or enough power to supply 30,000 homes.

"Keeping our power supply reliable and our rates low means we have to do more than build more megawatts," says Hoagland. "Power demand

went up 3.6 percent in fiscal year 2007. We can't build plants fast enough to keep up with the growth, even if we had the budget for them."

Promoting energy efficiency

TVA is getting help with its energy-efficiency strategy from PA Consulting, an international firm hired to advise TVA on the types of programs that work for other utilities.

As a first step to help promote awareness of

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Joe Hoagland reviews TVA's energy-efficiency strategy.

Inside TVA

RETIREES EDITION

Inside TVA and Inside TVA Retirees Edition are available on the TVA web site at www.tvaretirees.com.

Comments and suggestions are welcome. Send them to *Inside TVA Retirees Edition*, WT 7A-K (400 W. Summit Hill Dr., Knoxville, TN 37902), or call 865-632-8004.

Editor, **Nancy Cann**
Retirees Editor,
Carolyn Minter
Art Director,
Kym Morrison
Photo Editor, **Cletus Mitchell**

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It starts in the home

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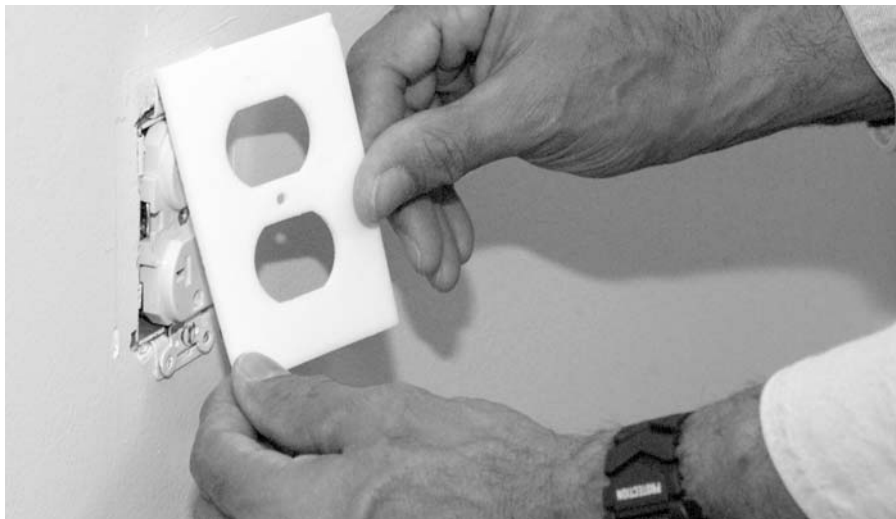
more up-to-date Thermopanes.

"I keep my thermostat at 68 degrees in winter and 78 in summer," Francis says. "I check my filters regularly. I turn off lights, and I unplug the TV that is not watched often because it uses electricity even when it's not on. When I'm not on my computer, I turn it off. I set my hot-water heater to 120 degrees. You can have it hotter, but you don't need it hotter."

He went online and took the energy audit. Of the items in the *energy right* energy-conservation kit, Francis had already installed low-flow regulators for his showers and faucets. He didn't need the filter whistle, since he checks and cleans his filters regularly.

"One thing I really liked was the foam insulation for electrical outlets," he says. "I've been looking for them forever, so I was happy to find them in the kit."

"If everyone does something, then across all those households it will add up to a significant amount of energy savings."



Right: TVA Media Relations Specialist Gil Francis checks the contents of the free energy-conservation kit offered by TVA (see story below).

Above: Francis installs an outlet insulator from the kit.



Eye on energy efficiency

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energy efficiency, TVA and local power distributors are offering a free energy-conservation kit for any Valley consumer who completes a home-energy audit. This effort is just one of a number of initiatives Hoagland's team will undertake this year. More programs to reduce power demand will begin this summer after the final strategy has been approved by the TVA Board.

Hoagland also will work with TVA's power-distributor customers to educate stakeholders about electricity use and the role energy efficiency must play in the future. The Tennessee Valley Public Power Association, which represents the distributors, has formed a special subcommittee whose members will use their expertise to help TVA craft a comprehensive long-term energy-efficiency plan.

A national perspective

U.S. Secretary of Energy Sam Bodman says saving energy is the nation's best source of new power.

"We must promote increased energy efficiency," Bodman says. "The biggest source of immediately available 'new' energy is the energy that we waste every day."

He says to meet rising energy

demand, the world must invest heavily in both conventional and alternative energy sources along with new energy technology.

"The world needs safe, reliable, clean, affordable and diverse energy supplies," he says. "And in considerably greater numbers than it now has.... To do that we need a global response ... and by that I mean all nations, including those that produce our world's oil supply."

During the public review of the 2007 Strategic Plan, stakeholders asked TVA to add more about energy efficiency, and TVA responded by adding these words.

"In partnership with others, TVA will strive to be a leader in energy-efficiency improvements and peak-demand reduction over the next five years. Improving energy efficiency and reducing peak demand are significant actions that help slow demand growth in a cost-effective manner while addressing air pollution and global climate change."

TVA's initial goal was a reduction of 1,200 MW in electricity demand by the year 2013.

TVA offers free energy-conservation kits

To kick off its energy-efficiency initiatives, TVA's *energy right*® program is offering free energy-conservation kits to Valley residents who complete a do-it-yourself home audit.

The kit includes two compact fluorescent light bulbs, outlet and light-switch gaskets, a filter whistle, two faucet aerators, a hot water temperature gauge, a home thermometer and a "How to Save" brochure.

Those who use all the contents of the energy-efficiency kit could save from \$2 to \$4 on their monthly power bills, depending on their individual energy use. Those who follow all of the recommendations from the audit could reduce their annual utility costs by as much as 20 percent.

Choose one of three ways to complete the audit:

Online:
www.energydepot.com/energyright/

Mail-in version:
www.energyright.com/savingenergy/evaluation
or call the *energy right*® help line at 1-800-663-1835

To change your address

Retirees who get pension checks from TVA should update their addresses with the following information if they move: Name, address, Social Security number (at least the last four digits) and signature. Mail it to Retirement Services, 400 W. Summit Hill Dr., Knoxville, TN 37902-1401.

Retirees who do not get pension checks from TVA but have TVA medical insurance need to update their address with the same information as above if they move and mail it to the TVA Service Center, 400 W. Summit Hill Dr., Knoxville, TN 37902-1401.

Forms for updating your information also are on www.tva.com under Retirees.

Prescription-drug home delivery saves money

Supplement to Medicare Plan participants can reduce TVA's costs as well as their own

Since TVA's Supplement to Medicare Plan must conform to Medicare Part D requirements, plan members are not required to use the mail-order pharmacy program to purchase their maintenance medications — those used regularly to treat chronic medical conditions such as high blood pressure, allergies and high cholesterol. But if you're taking maintenance medications, you may want to consider this benefit since it can save you money. You can buy a

90-day supply of your prescription by mail for less than you can purchase three 30-day supplies at your local pharmacy.

You save money

Under the current program, you can receive up to a 90-day supply of your prescription drug but pay the same amount you would pay for a 60-day supply at retail.

For example, purchasing Prevacid, a commonly used medication for heartburn and gastritis, by mail

can save a member \$120 a year.

The plan saves money

Drug prices through the home-delivery pharmacy are lower than those at retail stores. As a result of the program, TVA saves about \$2 million annually across all its medical plans. This keeps the overall plan costs lower and, in turn, affects the amount members pay for their coverage.

To begin using the home-delivery program:

1. Ask your doctor for a new prescription for up to a 90-day supply and any refills as appropriate for up to one year.
2. Mail the prescription, along with an order form and your payment, to Medco. Order forms are available at www.medco.com or by calling the TVA Service Center at 1-888-275-8094.



When you use the Medco site at www.medco.com, you can...

- Reduce the time it takes to receive your prescription refills by up to 50 percent.
- Know when it's time to reorder your medications. You'll receive online reminders each time you log in, and you can also request e-mail reminders.

Simply enter your login information, or register if you're a new user, then click on Order Prescriptions. For more information, call Medco Health at 1-800-592-4520.

Once your order is received, your medication should be delivered within 10 to 14 days. When you need refills, you may order them through Medco's Web site at www.medco.com, use its phone-in refill service or mail your request to Medco.

What you pay as a Supplement to Medicare Plan member:		
Prescription Drug Type	Retail (30-day supply)	Mail-Order (90-day supply)
Generic (Tier 1)	\$10	\$20
Preferred Brand (Tier 2)	\$30	\$60
Non-Preferred Brand (Tier 3)	\$50	\$100
Specialty (Tier 4)	\$50	\$100

Be smart, save more

Learn how to reduce your electricity use, with help from TVA and *energy right*®



Energy-saving tips

Here are some of the many ways you can start right now to save energy.

1. Set your thermostat to 68° Fahrenheit in the cooler months, or even lower if no one is home for several days. Your heating costs increase 3 percent for each degree above 68. In the summer, set your air conditioning at 78° F.
2. Caulk and weather-strip around windows and doors to stop air leaks; seal gaps in floors and walls around pipes and electrical wiring.
3. Replace incandescent bulbs with compact fluorescents — they use 75 percent less energy and last 10 times longer.
4. Change air filters monthly.
5. Turn off lights when not in use. Use a power strip to turn off TVs, appliances and other electronics.
6. Add insulation to your attic, crawl space and any accessible exterior walls.
7. Lower your water-heater temperature to 120° F and wrap the water heater and pipes with insulation.
8. Choose products with the ENERGY STAR® label when replacing large or small appliances.
9. Install foam gaskets behind electrical-outlet and switch-plate covers.
10. Save water, as well as energy, by installing low-flow, aerating faucets and shower-heads. That can reduce your water use by 50 percent, and you probably won't even notice the difference.



For additional tips, go to www.energyright.com

IF WE SAVE JUST ONE . . .

BVI water-safety training gears up to teach 40,000 kids

Swim with a buddy.

Look before you leap.

Don't just pack it, wear your jacket.

These are only a few of the water-safety rules Bicentennial Volunteers Inc. presents each year to children across the Tennessee Valley. At BVI's recent annual training in Chattanooga, TVA retirees from Hopkinsville, Ky., to Florence, Ala., came together to sharpen their skills and prepare for another successful year of teaching water safety.

Many of the 60 water-safety volunteers are husband and wife duos, such as Doug and Carolyn Spangler from Crossville, Tenn. Doug, a retired mechanical engineer from Watts Bar Nuclear Plant, says the water-safety program is the "most individually rewarding" of all BVI volunteer opportunities.

The Spanglers visit schools in five counties and are often recognized in their local community.

"I was in Wal-Mart, and a little boy came over and introduced me to his parents as the person who taught him about water safety," says Doug Spangler.

For more than 10 years, the Spanglers have used materials from the American Red Cross, the U.S. Coast Guard and TVA Police, carefully honing their presentation for children from kindergarten through sixth grade.



According to TVA Police Capt. Phillip Patterson, the BVI Water Safety class is saving lives.

"I applaud BVI volunteers for their efforts in promoting water safety," says Patterson. "Their effectiveness has surely saved many lives."

This year, BVI will bring the message of water

safety to 40,000 children. And if reciting the rules of water safety saves just one life, their message has done its job.

To get involved in BVI Water Safety programs, call BVI toll-free at 1-800-426-8801.

— CATHERINE MACKEY



75TH FEVER!

- Attend one of the many local celebrations to be held at TVA plants and sites.
- Order anniversary merchandise now online at www.tva.com.
- Stay tuned to local media for news about the anniversary and the film.
- Visit tva.com for memorable stories about TVA's heritage.
- Look for a special *Inside TVA* edition in May.

new retirees

43 years

Nathan W. Burris, Fossil Power Group, Clinton

41 years

Robert G. Jones, Nuclear Power Group, Decatur

Darioush Kiumarsi, Office of Environment & Research, Knoxville

Donald L. Malone, OE&R, Chattanooga

40 years

William L. Baxter, FPG, Drakesboro

Robert L. Spreng, Power System Operations, Chattanooga

39 years

Ralph G. Finch, River Operations, Benton

W. David Hall, Power System Operations, Chattanooga

James T. Johnston, FPG, Tusculumbia

Johnny S. McFall, OE&R, Muscle Shoals

38 years

Garey Austin, PSO, Muscle Shoals

William T. Boston, PSO, Chattanooga

Krystyn H. Gromek, NPG, Decatur

Jonny M. Loney, OE&R, Knoxville

37 years

W. Gary Brock, RO, Knoxville

Robert H. Bryan Jr., NPG, Chattanooga

Ronald K. Gladney, FPG, Soddy-Daisy

Ross T. Graham, NPG, Spring City

James E. Sanders, NPG, Spring City

W. David Webb, NPG, Knoxville

Erven N. Williams, RO, Knoxville

36 years

Charles Z. Albright, PSO, Cumberland City

Robert E. Alsup, NPG, Chattanooga

Gary N. Buchanan, NPG, Soddy-Daisy

Janis C. Crye, Financial Services, Knoxville

Thomas W. Kirkendoll, FPG, Cumberland City

John K. Phillips, FPG, New Johnsonville

Earle K. Walwyn, PSO, Chattanooga

35 years

Dwight L. Borden, Chief Administrative Office, Muscle Shoals

Diane J. Bunch, CAO, Chattanooga

Dallas F. Lucas, CAO, Chattanooga

Donald E. Morris Jr., PSO, Jacksboro

Clifford Gary Peterson, NPG, Spring City

Avice E. Reid, CAO, Knoxville

John L. Walton III, NPG, Decatur

34 years

H. Curtis Blair, NPG, Soddy-Daisy

Sally Atchley Eidson, COO, Chattanooga

Richard M. Emrath, Central Support & Repair, Chattanooga

Norman E. Eskridge, FPG, Rogersville

Robert G. Farrell, OE&R, Knoxville

Michael W. Franks, NPG, Decatur

Marshall T. Harris, FPG, Stevenson

Mark W. Murphy, NPG, Chattanooga

William J. Parkhurst, OE&R, Muscle Shoals

Donald C. Smith, COO, Decatur

Richard D. Smith, Customer Resources,

Muscle Shoals

Richard C. Strickland, OE&R, Muscle Shoals

Robert K. Swann, FPG, Rogersville

John R. Veal, CR, Nashville

Norris L. Wallace, PSO, Knoxville

33 years

Elizabeth M. Bailey, OE&R, Muscle Shoals

Susan C. Barksdale, NPG, Knoxville

Stephen J. Boren, FPG, Drakesboro

Joseph R. Bynum, FPG, Chattanooga

C. Ricky Crews, NPG, Spring City

Cecil E. Dyer, NPG, Soddy-Daisy

Donna G. Garner, CAO, Chattanooga

John H. Hamilton, NPG, Spring City

Ricky C. King, NPG, Spring City

Edward E. Lawrence, CAO, Chattanooga

Robert J. Pryor, OE&R, Knoxville

Larry C. Rinaca, NPG, Spring City

Thomas E. Scott, NPG, Decatur

Dennis L. Terrill, PSO, Chattanooga

Troy E. Trousedale, NPG, Muscle Shoals

Lynn E. Wallace, NPG, Chattanooga